



**Town of Arlington, Massachusetts**  
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## **Post Employment Medical Committee Meeting Minutes 03/16/2005**

Post Employment Medical Benefits Committee

Organizational Meeting Memorandum

March 16, 2005

Members in Attendance:

John Bilafer\*  
Kathleen Dias  
Nancy Galkowski  
Judie Phelps\*  
Ruth Lewis  
Steve O'Riordan  
Kenneth Hughes

\* Denotes those not in attendance

Ruth Lewis called the meeting to order at 5:10 pm. The minutes of the March 3, 2005 meeting were approved.

Nancy Galkowski passed out a survey she had done on various communities and what their current strategy was in regards to funding the unfunded liability for post employment health insurance. The results are as follows:

Needham – has special legislation, which allows them to put money aside to fund liability. At the time of enactment they had an actuarial study done and had available funds in the amount of \$380,000 to contribute and they continue to add this amount to the fund.

Plymouth – they filed special legislation to guarantee health insurance coverage at 90/10 contributions for active employees when they retire if they paid 80/20 during their active years. This extra contribution goes into the cost of current health insurance.

Brookline – they have been funding this liability since 2000. After conducting a study of their fiscal policies, the community has decided to no longer fund this obligation. It will reconsider this position when there is a statewide approach.

Wellesley – the Town has had several studies but has not begun to fund their liability. Last November they attempted an override to fund the liability but it failed. They have a tentative plan to begin funding \$600,000 annually in FY2008, 2009 and 2010 and the money would come from the general fund. The Treasurer recommends that we review the language of our legislation to give the Treasurer more authority to invest the funds in the same type of instruments that the pension funds are invested.

Andover – the Town will probably do an actuarial study next year but at the present time they have no funding schedule.

Steve O'Riordan contacted Bedford regarding their unfunded liability and they have approximately 1.2 million set aside but have not appropriated any more money in recent years. The town stated that they had no concern about their bond rating.

Nancy talked about possible revenue from Medicare on prescription drugs. As of yet there are no regulations but the Town must submit reimbursement requests by September 30<sup>th</sup>.

The meeting adjourned at 6:00.

